

1. Will the CARES Act stimulus funding allow the LEAs to pay for the direct costs incurred for planning and mitigation of the coronavirus pandemic such as, but not limited to, additional technology, hot spots for internet service, costs of distance learning, and cleaning of buildings to include staff time and supplies? **NEW April 14, 2020**

NEW  
4/14/20

The intent and purpose of the Coronavirus Aid, Relief and Economic Security (CARES) Act education funding is to prevent, prepare for, and respond to the coronavirus. Ninety percent (90%) of the K-12 education funding is a formula grant program to LEAs based on a statutory formula. TEA will release guidance, preliminary allocations, and a formula grant application to LEAs after USDE makes the state award to TEA. Specific timelines, allocations, and the amount of LEA costs related to COVID-19 that may be eligible for reimbursement are not known at this time. Please be aware the guidance offered by other entities is often incomplete or inaccurate and projected/estimated allocations per LEA may be inflated or not fully calculated.

LEAs should be aware that this stimulus funding may have additional restrictions placed on it when USDE releases the funding award it to the state, and/or may be used to help offset reductions in state funding caused by the pandemic, similar to what was done under the ARRA stimulus funding in 2009-2010.

All these types of costs appear to be allowable costs under the CARES Act LEA grant program. The following activities are allowable under the grant.

1. LEA discretion for any purpose under:
  - Elementary and Secondary Education Act (ESEA)
  - Individuals with Disabilities Education Act (IDEA)
  - Adult Education and Family Literacy Act (AEFLA)
  - Perkins Career and Technical Education Act
  - McKinney-Vento Homeless Education Act
2. Activities related to coordination of preparedness and response to improve coordinated responses among LEAs with state and local health departments and other relevant agencies to prevent, prepare for, and respond to coronavirus
3. Provide principals and others school leaders with the resources necessary to address the needs of their individual schools
4. Address the unique needs of low-income children or students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster students including how outreach and service delivery will meet the needs of each population
5. Developing and implementing procedures and systems to improve the preparedness and response efforts of LEAs

6. Training and professional development of LEA staff on sanitation and minimizing the spread of infectious diseases.
7. Purchasing supplies to sanitize and clean facilities operated by the LEA
8. Planning for and coordinating during long term closures, including for how to provide meals to eligible students, how to provide technology for on line learning to all students, how to provide guidance for carrying out requirements under IDEA, and how to ensure other educational services can continue to be provided consistent with all Federal, State, and local requirements
9. Purchasing educational technology (including hardware, software, and connectivity) for students who are served by the local educational agency that aids in regular and substantive educational interaction between students and their classroom instructors, including low-income students and students with disabilities, which may include assistive technology or adaptive equipment
10. Providing mental health services and supports
11. Planning and implementing activities related to summer learning and supplemental afterschool programs, including providing classroom instruction or online learning during the summer months and addressing the needs of low-income students, students with disabilities, English learners, migrant students, students experiencing homelessness, and children in foster care.
12. Other activities that are necessary to maintain the operation of and continuity of services in LEAs and continuing to employ existing staff

**2. Will COVID-19 expenses back to the start of the school closures be allowed as pre-award costs under the CARES Act stimulus funding? NEW April 14, 2020**

NEW  
4/14/20

TEA will not know the start date of allowable expenditures of the CARES Act grants until USDE issues the award to TEA for distribution to the LEAs. USDE will determine the grant start and end dates and whether pre-award costs (allowable costs prior to the grant start date) are allowed. We anticipate that the grant would allow pre-award costs at least to March 25, 2020, when the President authorized the federal disaster declaration for the state.

TEA encourages all LEAs to document COVID-19 related expenses now, to be better situated for future reimbursement and/or reporting requirements.

**3. Once we know the expenditures can be legally charged to the CARES Act stimulus grant, how will we code the expenditures in our accounting system? NEW April 14, 2020**

NEW  
4/14/20

For accounting purposes, you will code the expenses using the 15-digit beginning with a three-digit fund code to comply with FASRG and ending with a local option code to indicate the expense was COVID-19 related. The expenditures for the LEA CARES Act stimulus grant will be recorded under fund code 266 with the appropriate program intent code (PIC) related to the allowable activities for which funds will be expended. When the use of a PIC is not appropriate or mandatory to a specific program, expenditures can be coded to PIC 99.

For example, a transaction charged to the stimulus grant for payroll costs pursuant to IDEA-B will be coded as per following: 266-11-6119-00-101-0-23-V-00, where “V” is a local option code for the coronavirus

#### 4. What is the minimum documentation the LEA should maintain for COVID-19 related expenses?

**NEW April 14, 2020**

NEW  
4/14/20

At an absolute minimum, document the expenditures as you normally would and specify in writing 1) the need for the expenditure, 2) if using federal funds, why federal funds are needed to address the need, and 3) that it is COVID-19 related. Implement a subcat or local option code in your accounting system so that you can specifically identify all these types of costs should the expenses, at a later time, be deemed allowable uses of state or federal reimbursement funding or other federal grant funds.

Subgrantees using current federal grant funds to meet COVID-19 related needs must maintain appropriate records and cost documentation as required by 2 CFR § 200.302 (financial management) and 2 CFR § 200.333 (retention requirements for records) to substantiate the charging of any costs to federal education grant funds related to the interruption of operations or services.

All general ledgers should contain, at a minimum, the following required elements:

- Complete account code with a minimum of 15 digits, beginning with a three-digit fund code to comply with [Financial Accounting System Resource Guide](#) (FASRG) and [Special Supplement – Nonprofit Charter School Chart of Accounts](#) (applicable to nonprofit open-enrollment charter schools) and ending with a local option code to indicate the expense was COVID-19 related.
- Predetermined set of cost categories and commodity codes used for the purpose of calculating aggregate costs
- Transaction date
- Transaction reference number (check number or purchase order number)
- Transaction description
- Vendor name
- Budgeted amount
- Obligated/Encumbered amount
- Expenditure amount

All payroll journals should contain, at a minimum, the following required elements:

- Complete account code with a minimum of 15 digits, beginning with a three-digit fund code
- Employee first and last name, and identification number
- Gross salary and other income, deductions, and net earnings
- Pay period, check date, and check number
- All fund codes to which the payroll costs were charged

Note: If an employee is paid from multiple funding sources, i.e., state and federal, include payroll distribution records that includes payroll costs charged to each contributing funding source.

**5. What is best practice or what does TEA recommend for documenting COVID-19 related expenses? NEW April 14, 2020**

NEW  
4/14/20

If possible, in addition to the minimum requirements described above, maintain the following detailed records described in Tables 1-6. Maintaining this more detailed record will assist the LEA later in reporting expenditures to federal and state government oversight entities and will better prepare the LEA to request FEMA reimbursement if becomes available.

**Table 1: Force Account Labor**

Include all force account labor across the LEA for planning and mitigation of COVID-19. This includes your LEA staff implementing the responsibilities, not contractors or donated labor.

A	B	C	D	E	F	G	H	I	J	K
NAME AND JOB TITLE	DATE	REGULAR HOURS WORKED	OVER TIME HOURS WORKED	TOTAL HOURS WORKED PER DAY	HOURLY RATE	BENEFIT RATE %	TOTAL HOURLY RATE (F + G)	TOTAL COST PER DAY (E X H)	LEA FACILITY	WORK PERFORMED
TOTALS PER MONTH										

**NOTE: ALWAYS MAINTAIN PROPER SOURCE DOCUMENTATION FOR EACH ITEM LISTED IN THE SPREADSHEETS.**

**Table 2: Force Account Equipment**

Include all force account equipment costs across the LEA for planning and mitigation of COVID-19. This includes your LEA owned equipment used in implementing the responsibilities, not donated equipment.

A	B	C	D	E	F	G	H	I
TYPE OF EQUIPMENT (SIZE, CAPACITY, HP, MODEL, ETC.)	EQUIP CODE NO.	OPERATOR NAME	DATE USED	HOURS USED	EQUIP RATE PER HOUR	TOTAL COST PER DAY (E X F)	LEA FACILITY	WORK PERFORMED
TOTALS PER MONTH								

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**Table 3: Materials**

Include all materials used across the LEA for planning and mitigation of COVID-19, including your LEA purchased materials, not donated materials.

A	B	C	D	E	F	G	H	I	J	K
MATERIAL DESCRIPTION	DATE OF PURCHASE	VENDOR	VENDOR ID	QUANTITY OF MATERIAL	UNIT PRICE	TOTAL PRICE (E X F)	DATE USED	SOURCE OF INFO (INVOICE OR STOCK)	LEA FACILITY	WORK PERFORMED
TOTALS PER MONTH										

NOTE: ALWAYS MAINTAIN PROPER SOURCE DOCUMENTATION FOR EACH ITEM LISTED IN THE SPREADSHEETS.

**Table 4A: Donated Resources – Labor**

Include all volunteer work donated to the LEA for planning and mitigation of COVID-19. Sign in sheets are preferred as part of your source documentation. If a vendor is providing services in-kind, use the name of the vendor as the volunteer name and use the donation agreement or invoice as supporting documentation. If the vendor is donating equipment or materials, include those items on Table 4B and 4C. Standard volunteer rates are set individually by the state's FEMA office. Contact the Texas FEMA office for the correct volunteer rate to make final calculations.

A	B	C	D	E	F	G
VOLUNTEER NAME (OR VENDOR IF IN-KIND SERVICES)	DATE	HOURS WORKED	VOLUNTEER RATE	TOTAL VALUE OF DONATION (C X D)	LEA FACILITY	WORK PERFORMED
TOTALS PER MONTH						

NOTE: ALWAYS MAINTAIN PROPER SOURCE DOCUMENTATION FOR EACH ITEM LISTED IN THE SPREADSHEETS.

**Table 4B: Donated Resources – Equipment**

Include all equipment donated to the LEA for planning and mitigation of COVID-19. If a vendor is providing services in-kind, use the name of the vendor as the operator name and use the donation agreement or invoice as supporting documentation.

The operator name must be included and must match a staff member listed in Table 1 or donated labor listed in Table 4A. Use the following Method of Estimating Value such as 1) using local/comparable costs, 2) historical costs, 3) Blue Book/fair market value, 4) assessed value, 5) appraised value, or 6) actual cash value. If you are unclear of the operator rate, utilize the FEMA equipment rate.

A	B	C	D	E	F	G	H	I
EQUIPMENT DONATED	OPERATOR NAME	DATE	HOURS EQUIPMENT WAS USED	EQUIPMENT RATE	VALUE OF EQUIPMENT DONATION  (D X F) OR VALUE OF DONATION	METHOD FOR DETERMINE VALUE	LEA FACILITY	WORK PERFORMED
TOTALS								

**NOTE: ALWAYS MAINTAIN PROPER SOURCE DOCUMENTATION FOR EACH ITEM LISTED IN THE SPREADSHEETS.**

**Table 4C: Donated Resources – Materials**

Include all materials (not equipment) donated to the LEA for planning and mitigation of COVID-19, including cash donations.

For Type of Donation, use the following options: material, supplies, replacement item, or cash.

If a vendor is providing materials in-kind, use the name of the vendor as the source of donation column and use the donation agreement or invoice as supporting documentation. Use the following Method of Estimating Value such as 1) using local/comparable costs, 2) historical costs, 3) Blue Book/fair market value, 4) assessed value, 5) appraised value, or 6) actual cash value.

A	B	C	D	E	F	G	H	I	J
TYPE OF DONATION	SOURCE OF DONATION OR DONOR NAME	DATE	DESCRIPTION AND USAGE OF DONATION	QUANTITY	ESTIMATED VALUE OF DONATION PER UNIT	TOTAL VALUE OF DONATION (E X F)	METHOD FOR DETERMINE VALUE	LEA FACILITY	WORK PERFORMED
TOTALS									

**NOTE: ALWAYS MAINTAIN PROPER SOURCE DOCUMENTATION FOR EACH ITEM LISTED IN THE SPREADSHEETS.**



**Table 5: Rented Equipment**

Include all equipment rented by the LEA for planning and mitigation of COVID-19.

In the Equipment Rented column, include size, capacity, horsepower, make, and model, as appropriate.

A	B	C	D	E	F	G	H	I	J	J	K
EQUIPMENT RENTED	DATE USED	HOURS USED	VENDOR AND VENDOR ID	HOURLY RATE WITH OPR	HOURLY RATE W/O OPR	TOTAL COST (C X E OR C X F)	INVOICE NUMBER	SOURCE OF INFO (INVOICE OR STOCK)	DATE INVOICE PAID & AMOUNT PAID	LEA FACILITY	WORK PERFORMED
TOTALS PER MONTH											

**NOTE: ALWAYS MAINTAIN PROPER SOURCE DOCUMENTATION FOR EACH ITEM LISTED IN THE SPREADSHEETS.**

**Table 6: Contracted Work**

Include all contracted work or labor across the LEA for planning and mitigation of COVID-19. This includes your LEA contracts for work and labor, not donated labor.

A	B	C	D	E	F	F	G
CONTRACTOR	DATE WORK BEGAN	DATE WORK ENDED	BILLING OR INVOICE NUMBER	AMOUNT	COMMENTS	LEA FACILITY	SCOPE OF WORK PERFORMED
TOTALS PER MONTH							

**NOTE: ALWAYS MAINTAIN PROPER SOURCE DOCUMENTATION FOR EACH ITEM LISTED IN THE SPREADSHEETS.**